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Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities

Note verbale dated 23 March 2004 from the Permanent Representative of Myanmar to the United Nations addressed to the Chairman of the Committee

The Permanent Representative of the Union of Myanmar to the United Nations presents his compliments to the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities and has the honour to transmit herewith the report of the Government of the Union of Myanmar in accordance with paragraph 6 of Security Council resolution 1455 (2003) (see annex).

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Annex to the note verbale dated 23 March 2004 from the Permanent Representative of Myanmar to the United Nations addressed to the Chairman of the Committee

Report of the Union of Myanmar on the Implementation of United Nations Security Council Resolutions 1267 (1999) and 1455 (2003)

Introduction

The Union of Myanmar is a peaceful land bordered by the people's Republic of China, Thailand, Laos PDR, India and Bangladesh. Myanmar is 677,000 square kilometers large in area with an estimated population of 52 million. It is an agricultural country with 65 per cent of population being peasants and farmers. Buddhism is the predominant religion with nearly 90 per cent of population. Other religions include Christianity, Islam and Hinduism. The people of Myanmar are tolerant and live in peace and harmony.

Myanmar has not been involved nor connected with the likes of Osama Bin Laden, Al-Qaida, the Taliban and their associates. When Hambali, assumed leader of Jamaah Islamiah, was arrested in Thailand in mid 2003, Myanmar immediately took preventive measures in order to block terrorists from entering into Myanmar by land or sea routes across the borders. The National Intelligence Bureau and the Security Forces have been placed on high alert. Myanmar is in close collaboration with neighbouring countries, ASEAN Member States and Regional and International Police Organizations in information exchanges and other forms of cooperation.

Consolidated List

The consolidated list of United Nations provided to Myanmar Ministry of Foreign Affairs has been circulated to the National Intelligence Bureau, law

enforcement agencies and relevant Ministries. The persons and entities in the document are placed on the watch-list.

The United Nations list has also been distributed by the Central Bank to State-owned banks, private banks and financial institutions. A "Suspicious Transaction Report System" has been created in order to freeze accounts related to terrorists or terrorist entities. According to the system, suspicious transactions are immediately reported to the Central Control Board (CCB). The CCB which was set up in accordance with the Money Laundering Law of 2002 is chaired by the Minister for Home Affairs.

The consolidated list has also been circulated to all Myanmar Embassies and Consulates with the intent of careful scrutiny in the visa issuing process Similarly, the list is with all border checkpoints for the same precautionary purpose.

In Myanmar, only destructive acts such as bomb explosions have been carried out by the remnants of insurgent groups. These were identified and legal action was taken under the existing national laws. Information related to terrorists or terrorist groups has not however been received.

Terrorists, supporters of terrorists and persons who attempt to commit terrorist acts are liable to be punished effectively by the following domestic law:- and their properties seized:

(a) The Unlawful Associations Acts (1908)

(b) The Emergency Provisions Act (1950)

(c) The Penal Code (1861)

(d) The Control of Money Laundering Law (2002)

(e) The Law for Taking action against Owning and Marketing of Properties Obtained by Unlawful Means (1986)

(f) The Atomic Energy Act (1998)

(g) The Explosives Act (1884)

(h) The Explosive Substances Act (1908)

(i) The Arms Emergency Act (1949)

(j) The Arms (Temporary) Amendment Act (1951)

(k) The Public Order Preservation Act (1947)

(l) The Law Safeguarding the State from Danger of Subversive Elements (1975)

Financial and Economic Assets Freeze

The Central Bank of Myanmar issued Directive 2/2002 of 7 March 2002 instructing State-owned and private banks to freeze the funds and financial assets related to terrorists and terrorists organizations.

Section 19 of chapter 9 of the Control of Money Laundering Law and Article 6 (c), chapter 3 of the subsequent Rules define the person under obligation to report any suspicious transactions to the CCB. Information on illegal financial transactions from sources other than banks and financial institutions must also be reported to the CCB. The Financial Intelligence Unit (FIU) formed on 16 January 2004 is tasked with the reporting obligation.

The CCB Directive No. 1/2004 of 2 January 2004 instructs all banks and financial institutions of the obligation under law, to report all suspicious transactions. Likewise, Directive 2/2004 of 12 January 2004 of the CCB names the Department of Settlement and Land Records as also being responsible for issuing reports on suspicious transactions.

According to these Directives of the CCB, report of the suspicious transactions, not only money laundering but also other suspicious activities, must be made. The Directives stipulate that the transactions of one hundred million *kyats* and above must be reported. Moreover, even though a transaction is under one hundred million *kyats*, it must be reported if seemed to be suspicious. The Directives were issued in compliance with the Cabinet decision at the Cabinet Meeting No. 2/2004 on 8 January 2004 of the Government of the Union of Myanmar.

The Monitoring mechanism is supervised by the Department of Internal Audit and Bank Supervision of the Central Bank of Myanmar. The Bank Supervision Committee supervises the monitoring and security mechanism.

Chapter 3 of the Money Laundering Law is clear in stating that undertakings of financial institutions, including money transmitting agencies, without a license issued by the Central Bank of Myanmar is illegal and is considered a criminal offence. In Myanmar, foreign exchange transactions are operated only by the State-owned banks. These banks strictly observe the rules and regulations of the Bank for International Settlements. According to the

Foreign Exchange Regulation Act (1947), transaction of foreign exchange is controlled by the Central Bank of Myanmar.

Travel Ban

A person involved in terrorist acts can be banned from travel within Myanmar by any of the following domestic means: -

(a) Ban on travel issued by a Court

(b) Ban on travel issued by a Local Authority

(c) The Immigration (Emergency Provisions) Act (1947)

(d) The Foreigners Act (1864)

(e) The Registration of Foreigners Act (1940)

(f) The Towns Act (1907)

(g) The Village Act (1907)

At border posts, Immigration Department personnel and other security forces led by the National Intelligence Bureau scrutinize all entries with the consolidated list in order to keep out international terrorists.

Air travelers are also checked with modern X-ray machines and hand detectors at International airports to prevent terrorists entering the country.

Arms Embargo

According to the Atomic Energy Act (1998), the production, utilization, storage, distribution, exportation and importation of nuclear and radio active materials shall be punished effectively.

Under the existing domestic laws, legal action can also be taken against persons who manufacture, sale, possess, store, transport, import and export arms and ammunition and explosive substances.*

The holding of firearms are strictly controlled by the State in Myanmar. In effect, the Supervisory Committee for Firearms Holding chaired by the Minister for Home Affairs scrutinizes the issuance of licenses/permits for firearms in accordance with the Regulation on Holding of Firearms (1977). No one is permitted to hold any firearm or weapon except emergency needs. Because of this strict regulation Myanmar is able to prevent the possible transfer of arms to any terrorist or terrorist entities. Intelligence personnel and security forces use all legal means for check and surveillance.

Assistance and Conclusion

Myanmar has instituted the legal and security measures that are able to counter terrorism in the country. However, it is still in need of technical support, sophisticated equipment, financial assistance as well as training for law enforcement agencies and for exchange of information on countering terrorism. It is therefore expedient to request the international community for appropriate assistance to Myanmar on the above matters.

Further information on countering terrorism in the efforts of the Union of Myanmar are contained in the reports submitted by Myanmar to the CTC pursuant to paragraph 6 of Resolution 1373 (2001).

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* During 2002-2003, serious legal action taken against 41 perpetrators and 23 assorted small Arms, 61 grenades, 7088 assorted Ammunitions were seized.